GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:5157
ANSWERED ON:20.04.2001
FDI PROPOSALS
M.V.V.S MURTHI;SHIVAJI MANE;SUKDEO PASWAN;SUSHIL KUMAR SAMBHAJIRAO SHINDE;VINAY KUMAR SORAKE

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Japanese Ambassador has stated during an interactive session with Bengal Chamber of Commerce that three impediments are affecting foreign investment in India inspite of its huge potential;

(b) if so, the details thereof and the reaction of the Government thereto;

(c) the number and details of Foreign investment proposals received and cleared by the Government during the last three years, till date, year-wise, sector-wise and country-wise alongwith the names of States for which these proposals have been approved;

(d) the amount of foreign investment involved in each project, country-wise and State-wise;

(e) the names of foreign country leads FDI inflow into India;

(f) the names of industrial sector which attract FDI most and which shows declining trend;

g) the comparative figure of FDI inflow of other developing countries;

h) the numbers of proposals still pending with Government for approval; and

i) the further steps being taken by the Government to improve infrastructure to attract more foreign investment?

Answer

THE MINISTER OF STATE FOR COMMERCE & INDUSTRY MINISTRY (DR. RAMAN SINGH)

(a) & b) : Government has not received any information on this from Bengal Chamber of Commerce, which is a private organization.

(c) to f) : During the period from 1-1-98 to 28-2-2001 4992 proposals amounting to FDI worth of Rs. 1,01,342.33 crore have been cleared. Year- wise, sector- wise, state-wise and country-wise details of projects approved are published in Monthly SIA Newsletter which is widely circulated including to the library of the House. Mauritius followed by USA, Japan and Germany leads in the FDI inflow to India.

(g) : As per the World Economic Report 2000, India ranks 8th among developing countries in the South-East Asia region for the year 1999 so far as FDI inflow is concerned.

(h) : Receipt and disposal of proposals for foreign direct investment is a continuous process. As per FDI guidelines, such proposals are cleared within the prescribed time frame of 30 days in consultation with the concerned administrative ministries/departments.

(i) : Government has, interalia, permitted FDI up to 100% in infrastructure sectors like ports, roads, highways, generation and distribution of electric energy (except atomic power plants), oil refinery, etc., with a view to improving infrastructure. Foreign investment in these sectors is dependent on several factors such as the FDI policy framework, market size and market potential, manpower skills, regulatory frame work and dispute settlement mechanism.